

Guidelines for Requesting an Interest Free Loan

Loans are available to Arkansas Rural and Volunteer Fire Departments in which at least 75% of the firemen are volunteer and which serve communities of 10,000 population or less. Each department must also have a signed cooperative agreement with the Arkansas Forestry Commission (AFC).

Only one loan will be financed at a time. The maximum amount available for a loan is \$15,000. A 25% down payment is required for all loans.

≥ \$5,000, 1-year payback, 4 quarterly payments

\$5,001 - \$10,000, 2-year payback, 8 quarterly payments

\$10,001- \$15,000, 3-year payback, 12 quarterly payments

<u>Examples of Items Considered for Loan</u>
Firefighting vehicles: Tanker, Pumper, Brush Truck, Service Truck, Truck renovated by AFC RFP Shop
Firefighting equipment: Turn-outs, Wildland PPE, SCBA's, Skid Unit, Pump, Dump Tank, Hoses, Firefighting Tools, Communication Equipment Radios/Pagers

<u>Not Allowable Items Includes:</u>
ATV, Rescue Truck, Ambulance, Chief's Vehicle, Vehicle Maintenance, Uniforms, Animals, Office Supplies, Land Purchase, Security Equipment, Station Construction/Maintenance

To begin the loan process an official letter requesting the loan will need to be submitted to:

**Kathryn Mahan-Hooten
RFP Administrator
Arkansas Forestry Commission
P.O. Box 10
Greenbrier, AR 72058**

The letter must be on official letterhead and include the following:

- A description of the property - Year, make, model, vin #, and quantity (as applicable).
- A description of what the property will be used for.
- Contact information for the Fire Chief and Board President/ Mayor
- Must be signed by both the Fire Chief and Board President/Mayor.
- Attaching photos is encouraged.

If funds are available and initial loan request is approved, the following items will need to be provided:

- Quote or Invoice from Vendor- include name of vendor, address, telephone # and fax #
- Copy of current title, front and back (if applicable)
- Clear, color picture of the property
- A recent passing pump test (if applicable)

If a loan is approved AFC will notify the fire department and vendor.

- The vendor will need to provide a W-9 if not a current vendor to the State of Arkansas.
- The fire department will need to provide a check made out to the Arkansas Forestry Commission for the 25% down payment.
- AFC will then issue a check made out to the vendor, not the fire department. The fire department will then either need to pick up the check from AFC at Greenbrier or AFC will mail it directly to the fire department. AFC encourages each fire department to be sure the product meets satisfaction before releasing the check to the vendor.

Once the fire department is in receipt of the item, they will be responsible for the following, when applicable:

- Mailing the title to the AFC-Greenbrier office, at address indicated above, and listing Arkansas Forestry Commission as the lien holder. AFC will hold the title until the loan is paid in full. Copies are not acceptable.
- Provide proof of insurance, with AFC as the lien holder, until the balance of the loan has been satisfied.

Keep in mind the first quarterly payment is due 3 months after the loan approval date. AFC will mail out statements to the fire department reminding of payment and balance due.

Note: AFC reserves the rights to change the requirements for a loan and items a loan is available for without prior notification. Each case will be considered carefully. Loans are available as funds for the revolving account allows.

If you have any questions, please contact: Kathryn Mahan-Hooten, RFP Administrator at (501)679-3183 or Carisa Aycock, Administrative Analyst at (501)679-3171.